Foreign CROPS AND MARKETS

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AUSTRALIAN LAMBS SAIL FOR U. S.

The Delfino sailed from Australia on October 16 with 25,300 more lambs for the United States. The ship is expected to arrive on the West Coast the first week of November. This is its second lamb-ferrying trip.

WEST GERMANY SUSPENDS POTATO IMPORT DUTY

West Germany has suspended the 18-percent import duty on potatoes for the period October 15, 1959, to March 15, 1960. This summer's severe drought has caused a shortage of potatoes. Imports of potatoes between August 11 and October 12 amounted to 740,000 cwt., all from Common Market countries.

ITALY'S TOBACCO EXPORTS TO COMMON MARKET UP

Italian exports of leaf tobacco for the first half of 1959 totaled 11.3 million pounds--a drop of 12 percent from the 12.8 million shipped in the January-June period of 1958.

The Common Market member countries of West Germany, France, Belgium, and the Netherlands, however, took a total of 6.2 million pounds of Italian leaf in the first 6 months of 1959. This was a 12-percent increase from a year earlier. Other major markets for Italian tobacco in January-June 1959 included Switzerland (1.9 million pounds) and the United States (1.8 million).

A 10-percent reduction in tariffs on tobacco moving between Common Market countries became effective January 1, 1959. For example, the West German tariff on leaf tobacco is now about 2 cents lower on Italian leaf than on U. S. tobacco. The differential already appears to have encouraged Italian exports to the member countries. A further reduction of 10 percent is scheduled for January 1, 1960.

PORTUGAL'S TOBACCO IMPORTS LARGER THIS YEAR

Portugal's imports of unmanufactured tobacco increased to 5.9 million pounds for the first half of 1959, from 5.5 million in January-June 1958. Imports from the United States, at 3.2 million pounds, were 7 percent larger than those for the same period of 1958. The biggest gain was in imports from Mozambique--from 90,000 pounds last year to 357,000 in January-June 1959. Mozambique, as an overseas territory of Portugal, enjoys preferential tariff treatment.

TOBACCO, UNMANUFACTURED: Portugal, imports by countries of origin, January-June 1957-59

Country of origin	January-June		
	1957	1958	1959
	1,000 pounds	1,000 pounds	1,000 pounds
United States	3,062	3,000	3,197
Rhodesias-Nyasaland	306	245	203
Greece	761	791	802
Italy	465	668	650
Angola	306	179	97
Mozambique	64	90	357
Other	340	525	631
Total	5,304	5,498	5,937

Boletim Mensal do Instituto Nacional de Estatistica, June 1959.

RECORD SALES OF FLUE-CURED IN RHODESIA

Sales of Rhodesian flue-cured tobacco on the Salisbury auctions closed on October 1. A record 191.3 million pounds were sold at an average price equivalent to 40.2 U.S. cents. Last year's sales in Salisbury totaled 152.7 million pounds at an average of 42.5 U.S. cents.

Including leaf not sold at Salisbury, the total 1959 flue-cured crop of the Federation of Rhodesia and Nyasaland probably amounted to some 195 million pounds--roughly 40 million more than the 1958 crop. Most of this increase has been moving into export channels since April 1, and has been competing strongly with U.S. tobacco in the United Kingdom and other Western European markets.

SINGAPORE DEMAND IS BIG FOR BLENDED CIGARETTES

Locally-made American-type blended cigarettes are rapidly capturing the Singapore cigarette market at the expense of straight Virginia brands.

Until recently, the only blended cigarettes available were imported brands. But beginning in June 1959, one cigarette-manufacturing firm placed on the market two brands of blended cigarettes made locally from blended, cut tobacco processed in Hong Kong. Several other firms in recent weeks have begun the manufacture of cigarettes made from imported, blended, cut tobacco.

These locally made cigarettes sell for the equivalent of 17 to 19 U.S. cents per package, compared with 28 to 33 cents for imported brands.

On September 16, the Singapore tariff on cut tobacco was increased from 83 U.S. cents per pound to $2.15 cents. The rate on unmanufactured tobacco, previously nearly double that on cut tobacco, was also increased but the rise still leaves it below the rate for "cut". This means that is is now relatively cheaper to import leaf tobacco rather than prepared, cut tobacco. With the growing demand for blended cigarettes, U.S. leaf tobacco should begin to fare quite well in the Singapore market.

U.S. EXPORTS OF LARD AND TALLOW UP SHARPLY IN JANUARY-AUGUST

U.S. lard exports in the first 8 months of 1959 totaled 372 million pounds, up 45 percent from a year earlier. Shipments of tallow in the same period were 903 million pounds, up 21 percent from January-August 1958. However, tallow shipments in August were 43 percent higher than in August 1958.

Lower prices resulting from increased supplies have been the principal factor boosting U.S. exports of animal fats and oils in 1959.

NEW ZEALAND WOOL EXPORTS UP 11 PERCENT IN 1958-59

New Zealand exports of raw wool in 1958-59 (July-June) totaled 511 million pounds, compared with 459 million pounds a year earlier. The increase reflects a 9-percent rise in wool production and large, early-season shipments from the previous year's clip.

Shipments to France and West Germany were the same as a year earlier, but exports to most other major destinations increased sharply. Exports to the United States were almost double as a result of increased demand for carpet wool following the suspension of duties on certain grades of coarse wool if used in carpets. Exports to the Sino-Soviet Bloc declined despite a sharp rise in exports to Communist China, from 4.2 million pounds to 8.8 million pounds.

WOOL: New Zealand exports by country of destination, actual weight, average 1951-55, annual 1956-58 1/

Country	Average 1951-55	Annual 1956	Annual 1957	Annual 1958	1958 change from 1957
	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Belgium	15	17	23	27	+17
France	63	82	90	90	---
Germany, West	26	33	32	32	---
Italy	15	18	23	26	+13
Japan	5	9	13	21	+62
United Kingdom	192	199	170	173	+2
United States	50	33	46	89	+93
Total	366	391	397	458	+15
Sino-Soviet Bloc:					
Poland	10	14	15	5	-67
U.S.S.R.	5	8	5	2/	-94
Other Bloc 3/	2/	1	12	16	+33
Total	15	23	32	21	-34
Others	30	27	30	32	+7
	411	441	459	511	+11

1/ Season beginning July 1 of year shown. 2/ Less than 500,000 pounds.
3/ Mainland China, Czechoslovakia, and Bulgaria.

New Zealand Wool Commission.

U.S. SHARE OF U.K. LARD MARKET CONTINUES TO RISE

U.K. lard imports in January-August 1959 totaled 225 million pounds, up 40 percent from a year earlier.

Imports from the United States jumped 78 percent, and imports from Canada rose from nothing to 8 million pounds as a result of increased supplies and lower prices in both countries. Imports from France and Sweden rose slightly, but shipments from other European sources declined.

Imports in August totaled 40 million pounds, compared with 18 million a year ago. The United States supplied 83 percent of total lard imports in August.

LARD: United Kingdom imports, by country of origin and country percentage of total, January-August 1958 and 1959

Origin	January-August 1958		January-August 1959	
	Quantity	Percentage of total	Quantity	Percentage of total
	1,000 pounds	Percent	1,000 pounds	Percent
United States	87,277	54.3	155,333	69.0
France	22,517	14.0	26,520	11.8
Belgium	17,255	10.8	10,495	4.7
Denmark	15,696	9.8	12,495	5.6
Netherlands	15,013	9.4	9,138	4.0
Canada	---	---	8,093	3.6
Sweden	2,099	1.3	2,849	1.3
Others	765	0.4	141	---
Total	160,622	100.0	225,064	100.0

FRANCE TO LIBERALIZE IMPORTS OF U.S. VARIETY MEATS

France plans to free imports of U.S. variety meats from exchange and other import restrictions on January 1, 1960. This will probably result in sharply increased exports of U.S. variety meats to France. French prices for variety meats are considerably above those prevailing in the United States.

Although imports of U.S. variety meats have been controlled by the French Government, increasing amounts have been allowed entry during recent years (see <u>Foreign Crops and Markets</u>, June 29, 1959).

VARIETY MEATS: U.S. exports to France, annual 1956-58, January-August 1958-59

Classification	1956	1957	1958	January-August 1958	January-August 1959
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Beef and pork livers	(1/)	(1/)	4,156	1,729	3,158
Beef tongues	(1/)	(1/)	358	192	11
Other meat	(1/)	(1/)	291	106	105
Total	3,956	3,365	4,805	2,027	3,274

1/ Not reported separately.

U.S. Department of Commerce.

DOMINION WOOL PRICES DOWN SLIGHTLY IN SEPTEMBER

Dominion wool prices declined slightly in September following a sharp rise in August.

Prices at the opening Australian auctions the last week of August were about 10 percent above the previous season's close but weakened last month. Prices have firmed somewhat in early October, however.

WOOL: Clean cost per pound, c.i.f. United Kingdom, based on auction sales in the Dominion and London, specified months

Quality	1958 Sept.	1959 May	1959 June	1959 July 1/	1959 August	1959 Sept.
	U.S. dollars	U.S. dollars	U.S. dollars	U.S. dollars	U.S. dollars	U.S. dollars
70's	1.07	1.14	1.11	1.14	1.24	1.20
64's	.97	1.10	1.06	1.09	1.19	1.14
60's	.89	1.03	.99	1.03	1.13	1.09
58's	.82	.97	.93	.97	1.05	1.02
56's	.79	.86	1/ .81	.86	.95	1/ .90
50's	.64	.80	1/ .75	.80	.86	1/ .84
48's	.62	.78	1/ .72	.78	.84	1/ .82
46's	.61	.77	1/ .71	.77	.83	1/ .81

1/ London sales only

New Zealand Wool Commission.

NEW FLOUR MILL IN TRIPOLI

The Libyan Industries Corporation opened a new flour mill in Tripoli on August 15. The mill is reported to have a daily capacity of 50 tons. Its opening was regarded locally as an important industrial accomplishment.

AUSTRALIAN BEEF SHIPMENTS TO U.S. IN SEPTEMBER-OCTOBER

Of the four ships scheduled for departure within the past month (see Foreign Crops and Markets, Oct. 19, 1959), the Norfolk and Napier Star have sailed for the United States with 10,693,760 pounds of frozen beef:

Ship	Sailing date	Destination 1/	Quantity (pounds)
Norfolk	September 26	New York	7,622,720
		Boston	875,840
		Chicago	506,240
Napier Star	October 6	Los Angeles	680,960
		San Francisco	490,560
		Seattle	405,440
		Chicago	112,000

In addition to these ships, three more have left Australia with 2,954,560 pounds of frozen beef for the following U.S. destinations:

Ship	Sailing date	Destination 1/	Quantity (pounds)
Gjertrud Bakke	September 24	Los Angeles	170,240
		San Francisco	22,400
		Seattle	452,480
		Alaska	22,400
City of Edinburgh	September 28	New York	1,904,000
		Boston	7,720
		Chicago	107,520
Orsova	October 4	Los Angeles	112,000
		San Francisco	156,800

1/ Indicates location of purchasers and is usually also the port of arrival and general marketing area for the meat; in some instances meat may be diverted to other areas for sale.

BRITAIN'S WHEAT AND RYE SUPPORTS REDUCED
BUT BARLEY AND OATS UNCHANGED

Guaranteed minimum farm prices for 1959 grain crops in the United Kingdom have been reduced by 6d.(7 cents) per cwt. (112 pounds) for wheat and rye, but retained at last year's level for barley and oats. The general objective of Britain's price supports is maintenance of arable acreage but with less emphasis on wheat and rye and greater emphasis on production of barley and oats for livestock feeding.

Support prices for 1959 grain in shillings (14 cents) and pence (.012 cents) per cwt. (112 pounds), with dollar per bushel equivalents shown in parentheses, follow: wheat, 27s. 7d. ($2.07); rye, 21s. 7d. ($1.53); barley 29s. ($1.74); and oats, 27s. 5d. ($1.10).

The wheat price is an annual average. To promote orderly marketing, the wheat guarantee is increased by accounting periods during the season as follows: July-September, 25s. ($1.88); October-November, 26s. 6d. ($2.00); December-February, 28s. ($2.10); March-April, 29s. 6d. ($2.23) and May-June, 30s. ($2.25).

Deficiency payments on grains during 1958-59 totaled 49.7 million pounds sterling ($139.2 million), made up as follows: wheat, £ 18.30 ($51.2) million; rye, £ 0.03 ($0.1) million; barley, £ 20.40 ($57.1) million and oats £ 11.0 ($30.8) million.

Farmers sell grain on a free market. If the average market price received for deliveries of a prescribed quality falls below the guaranteed price, the government makes up the difference by deficiency payments equal to the difference multiplied by the volume sold.

In the case of wheat and rye, the deficiency is paid on the basis of the quantity sold. In the case of oats and barley, the deficiency per cwt. is converted into a deficiency payment per acre, by multiplying the deficiency by the average yield per acre during the 5 preceding years, less a deduction of 7.5 percent for tailings, screenings, unsound grain, and waste.

There are no quantitative restrictions on grain imports. Wheat and corn, other than flat white corn, enter duty-free. Wheat flour, and flat white corn, rye, and barley are dutiable at 10 percent ad valorem, and oats at 3s. per cwt. (12 cents per bushel), but all enter duty-free from Commonwealth countries.

Since 1954, the flour-milling industry has undertaken to use a minimum of 1,250,000 long tons of homegrown wheat annually, and feedstuffs processors to use homegrown barley instead of imported barley as far as practicable.

LEBANON TAXES WHEAT AND FLOUR IMPORTS

A Lebanese decree of August 26, 1959, places a levy of 1 Lebanese piaster ($0.003) per kilo on wheat imported by sea. An earlier decree dated March 12, 1959, imposed a tax of 4 Lebanese piasters ($0.012) per kilo on wheat flour imported by sea.

The proceeds of these taxes are used by the Lebanese wheat Office to purchase wheat seed for distribution to farmers at nominal cost.

BULGARIA TO RECEIVE YUGOSLAV SEED WHEAT

Under a recent trade pact with Bulgaria, Yugoslavia has agreed to deliver 15,000 tons of high-yielding wheat seed valued at $2 million to Bulgaria--presumably in time for seeding next season's crop. Yugoslavia, in turn, is to receive Bulgarian crude oil, oil cake, sunflower seed, and beans.

The Yugoslav wheat seed is to consist entirely of high-yielding Italian varieties. In line with the Yugoslav Government's program to make the country self-sufficient in wheat, Yugoslav farmers have been sowing more and more high-yielding Italian varieties in recent years. Favorable results obtained in Yugoslavia apparently have encourage Bulgaria to try the same varieties.

CEYLON AND BURMA SIGN RICE-FOR-COCONUT OIL PACT

A new Ceylon-Burma trade pact signed September 25, 1959, provides for reciprocal annual purchases of 300,000 long tons of Burmese rice and 8,000 tons of Ceylonese coconut oil for 4 years beginning in 1960. At the same time, a contract was concluded for Ceylon's purchase of its 1960 quota of Burmese rice at £32 per ton ($89.60).

Other commodities, such as Ceylonese tea and rubber and Burmese "dhal" (decorticated, split, and ground pulses), other forms of pulses, and timber may be exchanged on an informal basis.

The agreement and the contract place Ceylon in a favorable bargaining position with respect to the price it will have to pay Communist China for a balance of 80,000 tons of rice remaining to be shipped during 1959 from a total of 230,000 tons provided for under the Ceylon-Communist China rubber-for-rice trade pact for 1959 (See <u>Foreign Crops and Markets</u>, July 7, 1959). Under that pact, Ceylon agreed to buy 230,000 tons of Chinese rice during 1959 at £ 30 17s. 6d. per ton for the first 150,000 tons; the price for the remaining 80,000 tons was to be negotiated later.

BARBADOS PROBABLE MARKET
FOR U. S. HOPS

A market for U. S. hops in Barbados, West Indies Federation, is expected with the completion of a BWI $2,100,000-brewery about to be constructed (BWI $1.00 equals about U.S. $0.59). Sales of a BWI $1,594,000-stock issue to finance construction has already been over-subscribed. A bank is financing an additional BWI $600,000.

Scheduled to commence operation early in 1961, the brewery will benefit from a 7-year tax holiday dating from its first sales of beer. It is being constructed by Banks Barbados Breweries, Limited, whose parent company is Banks Breweries, Limited, of British Guiana.

CANADIAN WHEAT GOES TO FAR EAST
UNDER COLOMBO PLAN

The arrival of 3,600 tons of Canadian wheat in Rangoon, Burma on September 22, represented the first shipment under a $500,000 Colombo Plan wheat grant. The funds generated by the sale are to be used for Burmese economic development projects.

A tentative Colombo Plan agreement with South Vietnam provides for the sale of $300,000 worth of Canadian wheat flour and butter, with payment to be made in local currency. The money realized from this sale is also to be used for economic development.

CORRECTION

The 3rd line in the item TURKEY INCREASES PRICE SUPPORTS FOR GRAINS, Foreign Crops and Markets, October 19, 1959, page 16, should read "floor prices" instead of "flour prices."

IRANIAN ALMOND
FORECAST REVISED

Iranian almond production for 1959 is now estimated at 10,000 short tons, shelled basis--a downward revision from an earlier estimate of 11,000 tons. However, this year's harvest is still well above average production (1952-56) of 6,700 tons.

According to Iranian trade sources, competition for the European market has been keen and prices for Iranian almonds have declined.

Pressure is being exerted on the Iranian Government to assist almond exporters. Freight rate subsidies have just been put in effect. All fruits and nuts shipped for export receive free freight from point of origin to Doroud (upper Khuzistan). Regular freight rates are charged from there. Consideration is being given to additional export encouragement such as export loans at reduced interest, tax exemption, or outright export bonuses.

COLOMBIA TO MANUFACTURE CARBONATED COFFEE DRINK

A large Colombian brewing company has announced that it will soon begin manufacturing a carbonated coffee beverage. The process is said to involve a preliminary treatment of the coffee before toasting, "to liberate certain secondary components."

The new drink, to be sold in bottles, will contain as much coffee as the usual "demi-tasse" served in Colombia. In addition to producing the beverage for domestic sale, the producers hope to develop export markets.

MEXICO GROWING AND USING MORE COFFEE

Domestic consumption of coffee is increasing in Mexico. Consumption in 1959-60 is expected to reach 450,000 bags (132.276 pounds each). As recent as 1956-57, consumption totaled less than 300,000. Despite the increase, however, Mexican per capita consumption is still relatively low.

Total coffee production in Mexico during 1959-60 is estimated at 2,100,000 bags by the Foreign Agricultural Service. This would be a new record. The trees were in excellent condition after the small 1958-59 crop, and weather has been exceptionally favorable in all of the major coffee-growing districts.

AUSTRALIANS TO INCREASE DRIED AND CANNED FRUIT PROMOTION IN U. K.

Australia is planning to step up its promotion of dried and canned fruits in the United Kingdom market.

The Australian Dried Fruit Control Board is increasing its U. K. publicity program from $55,000 in 1958-59 to $77,000 for 1959-60 because of the stiff competition Australian dried fruit is facing from other producing countries.

The Australian Canning Fruitgrowers Association plans to raise money for sales promotion, both overseas and in Australia, by a levy on apricots, peaches, and pears of canning quality. On present production levels, a maximum levy of $1.00 per short ton would raise a fund of $110,000 a year.

The Australians believe this promotional program is also needed because of the intensified competition on the U. K. market, where prices have already been reduced. The United Kingdom takes about 90 percent of Australian canned fruit exports. The Australian Minister of Primary Industry, Mr. C. F. Adermann, says that canned fruit output is increasing in all major-producing countries and that Australian output is expected to increase 40 percent by 1963.

SPANISH RAISIN PACK DOWN SLIGHTLY; DRIED APRICOT PACK UP

Spain's 1959 raisin pack is estimated at 14,500 short tons, 1,000 tons less than last year's production, but still above average production (1952-56) of 13,300 tons. Exports during the 1958-59 season amounted to 6,023 short tons, 1,321 tons more than were exported during 1957-58.

Dried apricot production in Spain for 1959-60 is estimated at 3,300 short tons, 500 tons larger than the 1958-59 pack. Average dried apricot production (1952-56) is 2,100 tons. Exports during 1958-59 amounted to only 827 short tons, compared with 2,755 tons during the previous season.

1959 GREEK EDIBLE OLIVE CROP LARGE

Greece's 1959 production of edible olives is estimated at 58,000 short tons, compared with the 40,300-ton 1958 pack. Average production (1952-56) is 41,100 tons.

Edible olive exports during the first 8 months of 1959 amounted to 7,371 short tons.

YUGOSLAV PRUNE CROP ESTIMATED

The 1959 Yugoslav dried prune pack is now estimated at 38,000 short tons. Although not as large as earlier forecast--due to peronospora damage--this would be the largest harvest since 1953, when 50,000 tons were packed. Last year 23,600 tons were packed; average production (1952-56) is 17,500 tons.

BURMA'S RICE EXPORTS ABOVE-AVERAGE IN AUGUST

Burma's rice exports in August, at approximately 197,000 long tons, were well above average monthly exports of around 125,000 tons in the first half of 1959. January-August exports came to 1,153,000 tons--80,000 tons more than shipments in the comparable period of 1958.

January-August exports were under the following sales (1,000 tons of milled rice): government-to-government, cash 835 and barter 68; consignment 6; agency sales, 37; and private trade 207.

Remaining stocks of rice and rice products available from the 1958-59 crop on August 19 were estimated at 1,052,000 long tons. Of the total, 507,000 tons were rice and rice products held by the State Agricultural Marketing Board; 468,000 tons were the milled equivalent of paddy held by SAMB; and 77,000 tons, the milled equivalent of paddy stocks in the hands of millers. Total paddy procurement of the 1958-59 crop as of August 19, according to SAMB, was 3,186,000 tons (2,358,000 tons milled equivalent).

FRANCE TO IMPORT FRESH MILK
TO EASE SHORTAGE IN PARIS

This summer's long drought (June through September) in Northern France has led to an acute shortage of fresh milk and butter, particularly around Paris.

Sizable quantities of butter have already been imported, and on September 22 the Minister of Agriculture announced a proposal to import 1 million hectoliters of fresh milk (about 26 million gallons) from nearby countries to help supply the deficiency in Paris and its suburbs. The rate and time period over which theproposed imports would be made was not specified, but a minimum of 200,000 liters per day is reportedly sought for Paris. It is felt that the fresh milk would probably have to be supplied by the Netherlands.

To maximize deliveries from local producers, the government recently announced a milk price increase of about 15 percent to farmers delivering milk for fluid consumption. Floor and ceiling wholesale prices to retailers of dairy products were increased by about 7 to 12 percent.

Under the latest French invitation to submit bids to supply butter, Denmark reportedly offered 1,500 metric tons at 58 cents per pound, f.o.b. Danish ports.

PHILIPPINE SEPTEMBER COPRA
EXPORTS REVISED

Philippine copra exports in September have been revised downward to 82,645 long tons from 84,045 tons reported previously. Shipments to the United States (Pacific Coast) are now reported at 42,160 tons and those to Venezuela at 5,048 tons.

CEYLON COPRA, COCONUT OIL EXPORTS
MORE THAN DOUBLE FIRST HALF OF 1958

Ceylon copra and coconut oil exports in January-June were 46,895 long tons, oil basis. This was over $2\frac{1}{2}$ times the quantity shipped in the same period last year. Copra exports of 18,162 tons in the first 6 months of the year were more than 3 times those of January-June 1958. Increased shipments to India and Pakistan accounted for the sharp gain.

Coconut oil shipments in January-June were 35,453 tons, more than double the volume exported in the first half of 1958. Shipments to Europe were more than 4 times those of the corresponding period last year.

Desiccated coconut exports of 21,372 tons were 8 percent below January-June 1958 shipments; 398 fresh coconuts were exported, against 130 in the first half of 1958.

COPRA AND COCONUT OIL: Ceylon, exports by country of destination, average 1935-39, annual 1958 and January-June 1958 and 1959

Continent and country of destination	COPRA				COCONUT OIL			
	Average 1935-39	1958 1/	January-June 1958	January-June 1959 1/	Average 1935-39	1958 1/	January-June 1958	January-June 1959 1/
	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons	Long tons
North America:								
Canada	---	---	---	---	8,523	5,700	2,287	4,970
Other	1	---	---	---	2,119	2,255	588	1,249
Total	1	---	---	---	10,642	7,955	2,875	6,219
South America	---	---	---	---	1,433	310	76	109
Europe:								
Denmark	1,605	---	---	---	35	---	---	---
France	354	---	---	---	347	---	---	---
Germany, West	2/ 1,482	500	---	---	2/ 1,200	2,276	---	5,208
Greece	1,526	---	---	---	120	---	---	---
Italy	6,541	---	---	---	1,724	7,781	1,683	8,331
Netherlands	1,929	---	---	---	1,976	5,172	324	6,185
Poland	126	---	---	---	8	1,504	1,504	---
Sweden	---	---	---	---	3,573	---	---	---
Switzerland	---	---	---	---	84	410	70	---
United Kingdom	420	---	---	---	14,160	2,240	1,447	2,099
Other	2,518	1	1	---	3,930	3/ 105	3/ 55	4/ 194
Total	16,501	501	1	---	27,157	19,488	5,083	22,017
Africa:								
Egypt	425	---	---	---	2,433	1,296	887	293
Union of South Africa	---	---	---	---	2,597	330	70	62
Other	6	---	---	---	1,354	2,226	922	729
Total	431	---	---	---	6,384	3,852	1,879	1,084
Asia:								
Cyprus	---	---	---	---	146	---	---	---
India	5/42,549	26,654	5,188	17,383	5/10,710	3,169	2,277	1,663
Iran	---	126	41	40	6	2,958	1,187	1,282
Iraq	20	115	74	29	315	250	150	100
Israel	---	---	---	---	15	---	---	---
Pakistan	5/	208	82	612	5/	3,381	1,312	1,877
Syria	60	---	---	---	164	10	5	415
Other	365	96	31	98	1,885	6/ 2,963	65	7/ 687
Total	42,994	27,199	5,416	18,162	13,241	12,731	4,996	6,024
Oceania	---	---	---	---	154	---	---	---
Grand total	59,927	27,700	5,417	18,162	8/59,013	44,336	14,909	35,453

1/ Preliminary. 2/ Total Germany. 3/ All to Finland. 4/ 5 tons to Finland and 189 tons to Belgium. 5/ Pakistan included with India. 6/ Includes 2,800 tons to Mainland China. 7/ Includes 200 tons to Mainland China. 8/ Includes 2 tons to ships' stores.

Compiled from official sources.

SUEZ CANAL SOYBEAN SHIPMENTS CONTINUE LARGE IN JULY

Oilseed shipments northward through the Suez Canal in July continued large; soybeans accounted for more than one-half the total volume, as has been the pattern in recent months (see Foreign Crops and Markets, October 5, 1959). The large volume of soybeans from Communist China pushed total July shipments of oilseeds up almost one-half from July 1958. Shipments of copra and flaxseed were down, but the greater volume of peanuts and cottonseed more than offset these declines.

During the first 10 months of the 1958-59 marketing year shipments were up sharply from October-July 1957-58. A postwar record volume of soybeans more than counterbalanced the drop in copra shipments. Northward movements of cottonseed and peanuts have been larger this year, but flaxseed shipments are down.

OILSEEDS: Northbound shipments, Suez Canal, by kind, July 1958 and 1959, October-July 1957-58 and 1958-59

Oilseed	July		October-July	
	1958	1959	1957-58	1958-59
	1,000 Short tons	1,000 Short tons	1,000 Short tons	1,000 Short tons
Soybeans 1/	52.9	88.2	353.8	817.9
Copra	35.3	29.8	672.4	406.7
Peanuts	5.5	11.0	129.0	145.5
Cottonseed	7.7	27.6	104.7	151.0
Flaxseed 2/	3.3	1.1	35.3	26.5
Others	14.3	17.6	168.7	199.5
Total	119.0	175.3	1,463.9	1,747.1

1/ To convert to bushels use 33.3 bushels per ton. 2/ To convert to bushels use 35.7 bushels per ton.

Source: Suez Canal Authority, Monthly Bulletin (Cairo, Egypt).

UPTREND IN BRAZIL'S PEANUT PRODUCTION TEMPORARILY HALTED BY DRY WEATHER

The rapid expansion of Brazil's peanut production in recent years has been slowed by unusually dry weather which may hold 1960 outturn near the 1959 level.

The long dry spell has delayed and cut back Sao Paulo plantings of the wet-season crop (harvested in January and February) and damaged fields already planted. Although high prices may encourage planting of a somewhat larger dry-season crop (harvested May and June), acreage expansion will be limited because many growers will have diverted some of their peanut land to cotton or other crops.

PEANUTS (UNSHELLED): Brazil, area and production, annual 1957-59 and forecast 1960

State	Acreage				Production			
	1957 1/	1958 2/	1959 2/	Forecast 1960	1957 1/	1958 2/	1959 2/	Forecast 1960
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Sao Paulo	355	600	656	680	183	331	390	395
Others	64	60	60	60	28	27	30	30
Total	419	660	716	740	211	358	420	425

1/ Official. 2/ Unofficial estimate.

The longer-run outlook seems to be for a continued expansion in Brazil's peanut production. Improved production practices and reduction in coffee areas will help maintain present levels and should bring about future increases. Peanut farming has been quite profitable and offers certain attractions. Peanuts are rather easy to grow; the production cycle is short, permitting 2 crops in one agricultural year; there are no serious pest problems; and the crop can easily be rotated with other crops. As peanut oil producers have ample capacity for processing larger crops, they are expected to continue to encourage growers to increase production.

Unofficial estimates of Brazil's 1959 peanut crop indicate increases of 17 percent in production and 9 percent in acreage from the previous year. These increases are moderate, however, compared with the expansion which occurred between 1957 and 1958.

The minimum guaranteed producer prices for 1960 peanut crops was established in September by the federal government at Cr$ 228.00 per 25 kilogram bag, delivered to government warehouses. This is 26 percent higher than the Cr$ 181.00 guaranteed for the 1959 crops.

Peanut exports in the first 6 months of 1959 moved slower than in 1958. Only 567 short tons were shipped (largely to the United Kingdom and the Netherlands), compared with 2,260 tons in the comparable period of 1958. Trade sources state that peanut meal has been exported to European countries since June. An export quota of 60,000 metric tons (66,000 short tons) is said to have been alloted for 1959, but most traders do not expect this quantity to be exported. As of early October about 20,000 tons had been shipped and another 20,000 may be shipped before the end of the year. Peanut meal must be solvent-extracted and contain less than 1 percent of oil to be eligible for export. The export price is said to be between U.S. $55.00 and U.S. $60.00 per metric ton, f.o.b. Santos in export bags.

CUBA INCREASES COTTON ACREAGE

Efforts by the Cuban Government to diversify farm production have led to the first commercial-scale cotton plantings in Cuba. Cotton acreage this season is estimated at 10,000 acres, compared with experimental plantings of less than 1,000 acres in past years.

If normal weather prevails, 1959-60 production may be around 7,500 bales (500 pounds gross). Previous crops have been less than 1,000 bales.

Only American upland-type cotton is planted in Cuba, mostly on unirrigated land. All of the seed used in 1959-60 is certified seed imported from the United States. Cuba reportedly has 5 saw gins with a total of 9 stands of 90 saws each.

The return of more normal marketing conditions following the political unrest in 1958-59, along with government efforts to increase consumption of locally made products, should result in a higher rate of cotton consumption this season. Consumption of 32,000 bales in 1958-59 was 16 percent below the 38,000 bales used in 1957-58.

Cotton imports in 1958-59 were 24,000 bales, a decline of 47 percent from the 45,000 bales imported in 1957-58. In past seasons, the United States normally supplied most of Cuba's imports. However, in 1958-59 there was a substantial shift to lower-priced foreign growths, mostly to Mexican. The U.S. share of the Cuban market dropped to 38 percent in 1958-59, compared with about 98 percent in the preceding year. About 13,000 bales were imported from Mexico last season--9,000 from the United States, and the remainder from Peru.

Ending stocks on July 31, 1959, were 6,000 bales, compared with 13,000 bales held on August 1, 1958.

GREECE HAS NEAR-RECORD GRAIN CROP

Greece's 1959 production of small grains is now estimated to be slightly below the record crop that was predicted earlier in the season. Drought and hail during the preharvest season apparently reduced yields.

The wheat crop is now estimated at 65.5 million bushels--about the same as last year's record crop; in August, it was forecast at 69.3 million bushels.

The corn crop is estimated as one of the largest on record and 28 percent above the small 1958 harvest. Production is expected to reach 11.3 million bushels, compared with 8.8 million bushels in 1958 and the record of 12.7 million bushels in 1937. The increase is attributed to higher yields; a small decrease is reported in acreage.

PERU'S COTTON EXPORTS AT
RECORD HIGH IN 1958-59

Preliminary statistics show exports of 511,000 bales (500 pounds gross) of cotton from Peru in the 1958-59 season. This was 27 percent above the 402,000 bales exported in 1957-58, and is the highest export level on record.

Shipments to most major buyers of Peruvian cotton increased during the period under review. Considerably larger quantities were exported to Chile, Argentina, the United Kingdom, and Japan.

Quantities exported to principal destinations in 1958-59, with comparable 1957-58 figures in parentheses, were: Chile 85,000 bales (41,000); United Kingdom 76,000 (59,000); Belgium 69,000 (77,000); West Germany 58,000 (50,000); the Netherlands 32,000 (26,000); Argentina 30,000 (2,000); Japan 27,000 (10,000); France 27,000 (39,000); Italy 26,000 (17,000); United States 21,000 (35,000); Switzerland 13,000 (15,000); and Denmark 12,000 (8,000).

End-season stocks on July 31, 1959, were estimated at about 229,000 bales, down 24 percent from beginning stocks of 300,000 bales.

Peru's 1959-60 cotton crop is currently estimated at 493,000 bales, down slightly from the 1958-59 crop of 505,000 bales. The decline is attributed mainly to insect damage in some areas.

The outlook is for some increase in cotton consumption this season, due to stronger domestic demand for cotton goods. At the same time, imports of textiles into Peru are expected to decline as a result of recent increases in import duty. Last season 65,000 bales of cotton were consumed, compared with 70,000 in 1957-58.

Exports in the 1959-60 season very likely will be somewhat below 1958-59, since beginning stocks were down about 24 percent and some reduction in the crop is expected this year. Exports in 1958-59 were 29 percent above average exports of 396,000 bales in 1957-58 and 1956-57; but the value was only about 9 percent higher than the average in these 2 seasons because prices dropped to record lows. The low prices in 1958-59, particularly for extra long staple cotton, were the result of excessive world supplies.

Prices of Peruvian cotton on world import markets have strengthened by about 8 cents a pound after sinking to their record lows last spring. However, some types are still as much as 15 cents a pound below January 1958. On October 1, Peruvian Pima Type 1 and Tanguis Type 3 were quoted at 38.61 and 36.85 U. S. cents a pound, respectively, c.i.f. Liverpool Prices on the Lima spot market have advanced by about 7 cents a pound since March.

CANADIAN COTTON CONSUMPTION UP IN SEPTEMBER

Canadian cotton consumption, based on the number of bales opened by mills, was 30,000 bales (500 pounds gross) in September 1959. This was an increase of 7 percent from August consumption of 28,000 bales, although 9 percent below the 33,000 bales used in September 1958.

Consumption during the first 2 months (August-September) of the current season totaled 58,000 bales, compared with 61,000 bales in the corresponding 1958-59 period.

FINLAND IMPORTS MORE COTTON IN 1958-59

Cotton imports into Finland totaled 69,000 bales (500 pounds gross) in the 1958-59 season (August-July). This was an increase of 19 percent from the 58,000 bales imported in 1957-58. The U.S.S.R. supplied 70 percent of the 1958-59 imports under a trade agreement, and most of the remainder was U.S. cotton purchased under Public Law 480.

Sources of the 1958-59 imports, with comparable 1957-58 figures in parentheses, were: U.S.S.R. 48,000 bales (35,000); United States 15,000 (21,000); Peru 2,000 (0); Mexico 2,000 (0); Egypt under 1,000 (2,000); and Greece under 1,000 (0).

Imports during the current season may reach a record high. Plans call for 18,000 bales of U. S. cotton to be brought in under Public Law 480 and about 45,000 bales of Russian cotton under the annual trade agreement. Also, an additional 18,000 bales of Russian cotton may be imported and stockpiled to help balance Finnish-Russian trade.

Despite adverse economic conditions throughout most of the textile industry during the first half of 1958-59, consumption for the season equaled the 66,000 bales used in 1957-58. Finland's general economy has improved in recent months and cotton consumption should be somewhat higher this season.

Cotton stocks of an estimated 23,000 bales on July 31, 1959, were 10 percent above beginning stocks of 21,000 bales, and were adequate for about 4 months' mill operations. U.S. cotton accounted for slightly over 30 percent of the July 31 carryover, Russian cotton accounted for 58 percent, and the remainder was Mexican, Peruvian, and Egyptian.

INDIAN OILSEED OUTPUT DOWN

India's prospects for oilseed production in 1959-60 are not bright. Heavy September rains and resultant floods have materially reduced peanut prospects which prior to the rains were excellent. Sesame seed production also is expected to be down (about 10 percent) because of adverse weather.

Indian trade sources expect a sharp drop in flaxseed output next year because of the low prices farmers received for their unusually large 1958-59 crop. Assuming little change in castor and rape and mustard, total output may be 15 percent below last year--equivalent to around 275,000 short tons of edible oils and 30,000 tons of linseed oil.

OILSEEDS: India's production by kind, 1957-58, 1958-59 and forecast 1959-60

Oilseed	1957-58	1958-59 1/	1959-60 2/
	1,000 Short tons	1,000 Short tons	1,000 Short tons
Peanuts, unshelled	4,968	5,394	4,480
Sesame seed	396	552	505
Rape and mustard	1,034	1,197	1,120
Flaxseed	279	482	392
Castor beans	100	124	123
Total	6,777	7,749	6,620

1/ Preliminary. 2/ Unofficial estimates.

Compiled from official and other sources.

India produces roughly 1.8 million short tons of commercial cottonseed annually but processes only about one-eighth of the crop for oil; the remainder is fed to livestock. The Indian Government and the edible oil industry are encouraging cottonseed crushing and hope by the end of 1960-61 to be producing around 70,000 tons of cottonseed oil annually, against an estimated 28,000 tons now produced.

U.S. WHITE BEAN EXPORT PROSPECTS GOOD

There have been many inquiries from Europe this fall concerning availability of U. S. white beans.

The 1959 crop in Eastern Europe is reportedly only fair-to-good, and European traders believe that much of it will be consumed domestically and thus will not be available to Western European buyers.

In France, one of the largest bean producers in Western Europe, drought has reduced the crop by 24,000 metric tons from last year; French import restrictions on beans and other pulses have been removed.

Poland has had a poor crop and will very likely draw on Hungarian supplies. Hungary has been the largest Eastern European exporter to Western Europe in recent years. Bulgaria is believed to have 25,000 to 30,000 tons of exportable beans this year, but its export beans go eastward, not westward.

SOUTH AFRICA'S 1959-60 PEANUT CROP EXPECTED TO BE DOWN

Early indications are that the 1959-60 peanut crop in the Union of South Africa will be somewhat smaller than average because the basic advance price to producers has been reduced. However, if there should be failures in corn, wheat, and other small grains planted this fall, peanut plantings may be larger than expected, since peanuts can be planted much later than grains and will still produce a good crop.

Plantings for the 1959-60 peanut crop will start with the first rains. The first official estimate will not be available until January, when seed sales are known.

The advance price to producers for the 1959-60 crop was reduced by £ 2-5-0 ($6.30) per short ton from the basic advance price for the 1958-59 crop of £ 42-10-0 ($119.00). The basic advance price is the price paid upon delivery of produce to the Oil Seed Control Board. If there is a profit above the advance price when the peanuts are sold, a further (deferred) payment is made.

The 1958-59 peanut crop, planted in September-December 1958, is now estimated at 132,000 short tons shelled basis. The harvest is about one-third larger than the 98,400 tons produced in 1957-58. It was expected to be even larger but was reduced by drought.

The 1958-59 sunflower crop is estimated at 108,000 tons, compared with 75,700 tons in 1957-58.

Consumption of vegetable oils (mainly sunflower oil) is expected to increase to about 38,000 tons in calendar 1959, compared with 30,000 tons last year. The increase is due to the drop in butter production as a result of the drought.

LITTLE CHANGE EXPECTED IN 1959-60 WORLD WHEAT TRADE VOLUME

Although earlier estimates pointed to a small decline in world wheat trade during the current marketing year, indications now are that little change is likely.

Crop reverses in several countries, including Turkey, Brazil, and Uruguay, and in parts of Western Europe apparently will hold the volume of trade at, or near, last year's level. Imports into European countries may be 40 to 50 million bushels below last year, but larger, offsetting requirements have appeared in South Asia and Latin America.

World exportable supplies are generally higher than a year ago, and pressure to sell has increased accordingly. Australia, France, and Spain have considerably more wheat for export, and probably will be able to sell all or most of these increases. Argentina, Turkey, and Italy all have somewhat less to export this season, while the United States and Canada continue to hold more than they can sell abroad.

The net effect of the present export supply situation will probably be a reduction in both U. S. and Canadian export sales. Exportable supplies outside the United States and Canada are greater in relation to total import demand than in 1958-59. Thus, since these 2 countries have a vital interest in avoiding any serious disruption of world prices, they will very likely be forced to yield to the increased competition by lowering their export volumes.

Canadian exports, which reached 300 million bushels last year, will probably fall to 280 to 285 million bushels, while U. S. shipments will do well to exceed 410 million.

IRAN EXPECTS LARGE RICE CROP

Iran's rice crop in 1959 is estimated at 525,000 metric tons (1,160 million pounds) of rough rice, equal to the record 1954 crop, and 87,000 tons (192 million pounds) larger than the previous year. The harvest is in September and October.

A record 640,000 acres was planted to rice, and earlier estimates placed production at a higher figure. However, water shortages in some areas caused these estimates to be lowered.

The Ministry of Customs and Monopolies will buy part of the crop directly from producers in order to maintain growers' prices. Most of the rice will be sold to the Iranian Army through commissaries, but some will be available for export. Export supplies will be less than half the average 1951-55 exports of 100 million pounds of milled rice annually.

AUSTRALIAN COARSE GRAIN EXPORTS HIGH IN 1958-59

Australian coarse grain exports were at a new high during the year ending June 30, 1959. Barley exports made up 64 percent of the total, oats 30 percent, and grain sorghums 6 percent (see table, page 24).

As a result of a large barley harvest last season, the 1958-59 exportable surplus reached a record. Shipments for the fiscal year totaled 683,000 metric tons--about 56 percent above the 437,000 tons exported in 1957-58. Japan, the United Kingdom, West Germany, the Netherlands, and Belgium-Luxembourg were the major markets.

The record oats crop in 1958-59 permitted farmers to replenish farm stocks depleted in 1957-58, and left a surplus for export. The fiscal year exports were 319,000 metric tons, compared with 274,000 tons in the previous year. The bulk of the oats went to West Germany.

The 1958-59 grain sorghum harvest was also much larger than in 1957-58. Sizable quantities were retained on farms because of low domestic prices. However, exports in 1958-59 were 65,000 metric tons, compared with only 13 tons in 1957-58. Most of the sorghums went to the United Kingdom. Corn exports dropped from 1,232 tons in 1957-58 to 370 tons in 1958-59 because of low market prices.

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COARSE GRAINS: Australian exports, average 1950-54, annual 1955-1958

Year beginning July 1	Corn	Oats	Barley	Sorghums	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
Average:					
1950-54	15,856	141,207	418,804	44,905	620,772
Annual:					
1955	4,708	174,290	477,780	25,812	682,590
1956	823	148,157	601,072	20,233	770,285
1957	1,232	41,654	436,923	13	479,822
1958 1/	370	318,700	683,475	65,030	1,067,575

1/ Preliminary.

Compiled from official and other sources.